PUBLIC SERVICE COMMISSION OF WISCONSIN

Minutes and Informal Instructions of the Open Meeting of Thursday, April 29, 2010

The Public Service Commission of Wisconsin (Commission) met as noticed. Present were Chairperson Callisto, Commissioner Meyer, and Commissioner Azar.

Minutes

The Commission approved the minutes of the Open Meeting of Thursday, April 22, 2010.

Commissioner Azar abstained on the April 22 minutes as she was not present at that open meeting.

5-AE-166 – Application of American Transmission Company LLC and Wisconsin Power and Light Company for Approval of a Generation-Transmission Interconnection Agreement and Guarantee or Letter of Credit Transaction as Affiliated Interest Arrangements

The Commission modified and approved the affiliated interest agreement in this docket.

The Commission directed the Gas and Energy Division to draft an order consistent with its discussion.

5-GF-144 – Request by Wisconsin Electric Power Company and Wisconsin Gas Company for a Three-Year Extension of its Low Income Pilot Program Through March 2013

The Commission began discussion of this docket and Chairperson Callisto proposed a number of changes that he felt should be incorporated into any extension of the low income pilot program filed on behalf of Wisconsin Electric Power Company.

The Commission determined that this matter should be laid over for future determination to allow time for Commissioners Meyer and Azar to review the proposed changes.

6720-TI-221 – TDS Metrocom, LLC, and McLeodUSA Telecommunications Services, Inc., d/b/a PAETEC Business Services, Petition to Determine Rates and Costs for Unbundled Network Elements or Unbundled Service Elements of Wisconsin Bell, Inc., d/b/a AT&T Wisconsin

Prior to the beginning of the discussion, Commissioner Azar abstained in this matter and left the room.

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The Commission discussed the record in this docket and made determinations, including the following:

- 1. The Commission has subject matter jurisdiction over this dispute.
- 2. The Competitive Local Exchange Carriers (CLECs) should be charged for collocation power based on usage.
- 3. Commission staff's cost model should be used to calculate collocation power rates.
- 4. A 99 percent error factor should be used as an input in the Commission staff's model.
- 5. Qwest investment costs should not be reduced by 30 percent as proposed by the CLECs.
- 6. The cost of the BDFB should be based on a 100 percent frequency of occurrence, feeder capacity at 1/3 the distribution side, and a separate rate for power arrangements over 50 amps per feed.
- 7. Rectifiers and batteries should be based on Qwest costs as proposed by the CLECs.
- 8. The Commission accepts all the undisputed cost model inputs, keeping costs consistent with Qwest costs.
- 9. The cost of heating ventilation and air conditioning that should be included in final rates is \$1.23, based on the CLECs proposed alternative input using Commission staff's model.
- 10. The Commission's final decision will be implemented immediately in all new interconnection agreements.
- 11. The Commission determined that if an existing interconnection agreement includes a change of law provision, that provision will control implementation.

The Commission recessed its open meeting at 11:20 a.m. and reconvened at 11:40 a.m.

In open session, after further discussion, the Commission determined that the issues regarding (a) how much capacity should be assumed for shared power plant cables and (b) consistency of battery distribution fuse bay costs with shared power plant cable capacity should be laid over and will be decided when the final order is brought back for Commission review.

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The Commission directed the Telecommunications Division to draft an order consistent with its discussion.

The Commission adjourned the meeting at 11:45 a.m.

Sandra J. Paske Secretary to the Commission